

The Director of Central Intelligence
Washington, D.C. 20505

National Intelligence Council

NIC #03114-84
24 May 1984

MEMORANDUM FOR: Director of Central Intelligence

THROUGH:
National Intelligence Officer for Warning

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FROM:
National Intelligence Officer for USSR-EE

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SUBJECT: Monthly Forecast and Warning Report -- USSR-EE

1. Romania:

A. Discussion:

Life in Romania continues to get grimmer but Ceaucescu's political control appears as strong as ever. The economy has declined further this year. Shortages of energy and raw materials have forced periodic shutdowns in industry; decreased transportation has sometimes prevented commuters from getting to work; a poor harvest has resulted in ration cuts in at least parts of the country. The regime is extremely concerned about the mood of the industrial work force, particularly the miners, but so far the population has remained generally quiescent. There is no indication that Ceaucescu's hold on power is threatened in any way. He recently demonstrated his own confidence by making a trip abroad. Also he recently gave a Emil Bobu, a reputed favorite of his wife Elena, sole responsibility for cadres and organization, the first time since 1975 that this important responsibility had been delegated to one man.

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2. Warsaw Pact Cohesion:A. Discussion:

The greater strain in the Pact has been caused lately not by intra-block economic differences, as expected, but by the intransigence of Soviet policy toward the West. Hungary, needing continued economic interaction with the West, has been at the forefront of those expressing concern about this development. It has received the expected support of Romania as well as more surprising backing of East Germany. Czechoslovakia and Bulgaria have supported the Soviet Union unhesitatingly while Poland's Jaruzelski seems to be buying some domestic autonomy by demonstrating international loyalty to Moscow. Although increasingly irritated with this East European waffling, the Soviets have had to adjust to it. They have apparently made possible the holding of the long postponed CEMA Summit on 12 June by temporarily abandoning their attempts at greater CEMA economic integration and, according to some reporting, are concentrating on producing the strongest anti-US communique possible.

Looking ahead to last next year, work has already started to renew the Warsaw Pact treaty which expires in June 85 and does not contain an automatic extension clause. The Romanians have already suggested that the renewal should be handled at Heads of State level. The Soviets may agree and will probably extend the current treaty without insisting on some important changes that they may have liked to make. There is also a report that Moscow is thinking of convening an international communist conference, the first one since 1969. Such a plan accords well with Moscow's current stress on unity within the international communist movement but does not accord with the disunity that exists in the movement -- disunity which is greater now than in 1969 when some countries already boycotted the conference while others signed the final declaration with reservations.

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3. Soviet/Syrian Relations:A. Discussion:

The four most important issues for the Soviets concern the PLO, Lebanon, the Iran/Iraq war, and the Syrian leadership situation.

In general the Soviets appear to have little leverage to change Syrian positions on the foreign policy issues. Thus Syria has not desisted from its policy toward the PLO in the face of Soviet urgings that stress be placed on having a united PLO. Syria has also remained seemingly oblivious to the Soviet desire that Syria strive to end the Iran/Iraq war rather than support Iran. On Lebanon the Soviets continue to fear the possibility of a US-brokered Israel/Syria/Lebanon deal and simultaneously fear the outbreak of a war which might include Israeli action against Soviet forces. For their part the Syrians would like a stronger or at least reaffirmed Soviet commitment to their defense but, Foreign Minister Khaddam's assertions to the contrary, do not appear to have received it yet.

The Syrian internal situation looks better from the Soviet standpoint as their least favorite candidate to succeed Asad -- his brother Rifat -- has apparently been weakened lately. This development, however, came about not because of the much publicized meeting between Asad and the outgoing Soviet MAAG Chief General Yashkin but rather because of Syrian internal reasons.

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4. Monitoring Items:

- A. US Soviet relations. The Soviets remain intransigent toward the US. They seem to be concentrating their criticism against the strategic defense initiative and on the US non-ratification and non-implementation of agreements. They continue to search for propaganda and policy themes that can do the USSR real political damage to the US.

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- B. Soviets and the Persian Gulf. The primary Soviet objective is to prevent the defeat of Iraq. But besides supplying Iraq with arms, the USSR is unlikely to undertake military action of its own to affect the conflict.
- C. Afghanistan. The much publicized Soviet campaign in the Panjsher Valley appears to be part of a quantitative larger but qualitatively standard spring offensive. The Soviets are probably disappointed by the meager results of their long prepared offensive. Some analysts believe that they may also be concerned by the seemingly increasing manifestations of undiscipline on the part of their troops.
- D. Poland. The most important current issue concerns the eleven KOR prisoners. Jaruzelski would probably like to amnesty them in conjunction with the July holidays in the hope of getting some Western sanctions lifted. But he is probably constrained by the USSR's apparent insistence on some recantation by the eleven men whom Moscow considers primarily responsible for the 1979-81 troubles.

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